

COLLECTIVE BARGAINING AGREEMENT

BETWEEN

UNITED STEELWORKERS OF AMERICA, ON BEHALF OF

LOCAL NO. 25 UPHOLSTERER

ELECTRICAL WORKERS LOCAL NO. 1 (I.B.E.W.)

INTERNATIONAL ASSOCIATION OF MACHINISTS, DISTRICT NO. 9

ST. LOUIS – KANSAS CITY CARPENTERS REGIONAL COUNCIL

AND

KOKEN MANUFACTURING COMPANY, INC.

EFFECTIVE:

SEPTEMBER 13, 2017 - - - SEPTEMBER 12, 2020

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AGREEMENT

ARTICLE 1

PREAMBLE

THIS AGREEMENT, made by and between KOKEN MANUFACTURING COMPANY, INC., located in St. Louis, Missouri, having its principal place of business at Dr. Martin Luther King Drive, St. Louis, Missouri, hereinafter referred to as the Company, and UNITED STEELWORKERS OF AMERICA, ON BEHALF OF LOCAL NO. 25 UPHOLSTERERS; ELECTRICAL WORKERS LOCAL NO. 1 (I.B.E.W.); AND INTERNATIONAL ASSOCIATION OF MACHINISTS, DISTRICT NO. 9, all affiliated with AFL-CIO, and the ST. LOUIS – KANSAS CITY CARPENTERS REGIONAL COUNCIL, acting through their agent the ST. LOUIS – KANSAS CITY CARPENTERS REGIONAL COUNCIL which has been designated as the bargaining representative for and on behalf of the local unions with employees employed by the Company, hereinafter referred to as the Union.

ARTICLE 2

TERMINATION AND RENEWAL

2.1 This Agreement shall be effective as of the 13th day of September, 2017, and shall remain in full force and effect from said date until terminated as hereinafter provided.

2.2 This Agreement, when signed by the officers of the EMPLOYER and the UNION, shall become effective as described above until September 12, 2020, and shall continue to remain in full force and effect from year to year thereafter, unless written notice is given by either party hereto to the other on or before sixty (60) days prior to the annual expiration date, requesting that the Agreement be modified or terminated. In the event of such notification, the parties hereto shall immediately confer and negotiate with reference to a new or modified Agreement. In this Agreement, this Agreement, subject to such notification, shall continue to remain in effect during the period of negotiations until a new Agreement has been reached or until either party shall give the other party ten (10) days' notice of cancellation. No other notice of modification or of termination of contract shall be required of either party other than the notice herein specified. In any event, nothing herein contained shall preclude either party from modifying or changing or amending its proposals for a new Agreement.

ARTICLE 3

RECOGNITION

The Company agrees that it recognizes the within Union as the sole bargaining agent for the unions which are the representatives of all of the employees of the Company engaged in hourly production and maintenance, exclusive of administrative, supervisory, foreman (non-productive), engineers, guards, office and clerical help. The parties agree that all working regulations as set forth in this Agreement with respect to rates of pay, hours of employment or other conditions of employment shall apply to the hourly pay production employees.

ARTICLE 4

UNION SHOP AND CHECKOFF

All employees of the Company excepting those who are hereinabove excluded, shall be and remain members of the Union in good standing to which they are assigned, and those employees who may be subsequently hired or are presently employed who are not members of the Union on the date of execution of this Agreement shall on the thirty-first day following the date of execution of this Agreement become and remain members in good standing of the Union to which they are assigned, or pay their equal share of the cost for collective bargaining and Union representation for the life of this Agreement.

The Company, for all its employees who are members of the Union and which employees shall have given designations and authorizations to the Company, shall deduct from the first pay of each month the amount of the authorized Union dues for the current month and properly remit same to the Union designated on the employee's said authorization. This authorization shall be effective until it is revoked by the said employee or upon the termination of this Agreement, whichever occurs sooner.

ARTICLE 5

INTRODUCTORY PERIOD

5.1 The introductory period may be extended an additional thirty (30) days, at the Company's discretion, provided it notifies the Union and the employee in writing before the sixtieth (60th) day, and during such introductory period the Company shall have the right to discharge or otherwise discipline such employees without recourse by the Union or the employees to the grievance and arbitration procedure.

5.2 New employees, during such introductory period, may be discharged or otherwise disciplined without recourse by the Union or the employee through the grievance and arbitration procedure.

ARTICLE 6

NO DISCRIMINATION

There shall be no discrimination because of race, creed, color, national origin, sex or disability against any employee or applicant for employment.

ARTICLE 7

GRIEVANCE AND ARBITRATION PROCEDURE

7.1 "Grievance Procedure": It is the agreed policy of the Company and of the Union to settle all grievances and complaints promptly and in an amicable manner. When any differences arise between the Company and any employee or employees, as to the meaning and application of any provision of this Agreement, there shall be no suspension of work on account of such dispute or misunderstanding while efforts toward settlement of difficulties are being made. There shall be an effort in good faith made to settle the same, and such settlement shall proceed as follows:

- (a) By conference between the shop steward and the foreman or supervisor, in the presence of the aggrieved employee or employees (Step 1). This conference shall be held within four (4) days of the event in question or within four (4) days from the time when the employee shall reasonably have learned of events giving rise to the grievance.
- (b) By conference between the member or members of the Union's Grievance Committee and the Company's plant manager or their representative, in the presence of the aggrieved employee or employees (Step 2).
- (c) By conference between the Shop Committee and the representative of the Union, on one hand, and the Company's plant manager and other management personnel selected by the plant manager, on the other hand, also in the presence of the aggrieved employee or employees (Step 3).
- (d) In the event the grievance still remains unsettled ten (10) working days after the date it arose, unless the time is extended by agreement between the parties, and the steps provided for in paragraphs (a), (b), and (c) of this Section 7.1 have been exhausted, then, at the request of the Union, the issue or issues shall be submitted to arbitration either under the voluntary rules of arbitration of the American Arbitration Association or the rules of the Federal Mediation and Conciliation Service, provided, however, such organization (the Union selects) must be informed that the list of arbitrators submitted must consist solely of members of the National Academy of Arbitrators.

The cost of such arbitration shall be borne equally by the Company and the Union.

The decision of the arbitrator shall in all cases be final and binding upon the Company, the Union and the aggrieved employee or employees and shall be retroactive if so ordered by the arbitrator. The arbitrator shall not go beyond the interpretation and/or application of this Agreement or the obligation of the parties under this Agreement. It shall in no way be construed that the arbitrator shall have the power to add to, subtract from, or modify in any way the terms of this Agreement. Issues not directly involved in the case under submission shall not be decided by the arbitrator.

7.2 "Individual Grievances": Any employee of the Company who has a grievance which he or she wishes to take directly to the Company's Management is at liberty to do so. Management will listen to the grievance but shall not negotiate or bargain with the employee complaining, but all bargaining with regard to wages, hours, or working conditions of all or any of the employees of the Company included within this Agreement, and whether the complaining employee shall be a member of the Union or not, shall be conducted between the Company and the Union as herein in this contract set out.

7.3 The Union agrees that it will not engage in any strike, stoppage of work, slowdown, sitdown, or any other kind of work stoppage or other interference with the operations of the Company, nor any picketing on any account. The Company agrees that it will not engage in any lockout. This provision will not apply if either party refused to abide by the award of the arbitrator.

7.4 It is agreed by the Company and the Union that when grievances and discharges, etc., arise between the employees and the Company which cannot be settled without calling upon the Grievance Committee, such meetings with the Grievance Committee shall be held at a convenient time during working hours.

ARTICLE 8

AUTHORITY OF AGENT UNION

If any issue shall arise during the period covered by this Agreement, the Union executing the within Agreement shall have the right, and the sole right, to dispose of any and all claims, jurisdictional or otherwise, and shall be responsible for the ultimate effectiveness of the within Agreement. The Company or its counsel will be available to sit in on any discussions with the Union where its presence may be required or helpful in disposing of any claim. However, all of the relevant unions acknowledge the right of the within Union to negotiate and/or dispose of any claim of every and any kind whatsoever.

ARTICLE 9

LEAVES FOR UNION BUSINESS

Employees shall be given leaves of absence without pay not exceeding fifteen (15) days consecutively to attend convention or other pertinent business of the Union. It is further agreed that ten (10) days' notice of such leave of absence shall be given to the Company and that not more than two (2) members shall be absent at any one time for this purpose.

Any employee who undertakes full-time representation of their union will be given a leave of absence by the Company for the term of their office.

ARTICLE 10

MANAGEMENT RIGHTS

This Agreement defines the specific responsibilities of each party and is the controlling document that outlines the working relationship over the life of this Agreement. Any matters not specifically covered by this Agreement are the responsibility of the Company.

The management of the Company has the responsibility and the right to determine what products are to be manufactured at the facility, to organize and schedule the workforce and production facility, to provide standards and specification for products and processes and to develop rules and guidelines for a safe and efficient working environment.

It is recognized that the management of the company, the control of its properties and the maintenance of order on its premises is solely the responsibility of Management and it is hereby agreed that the Company maintains all of its managerial rights.

As it is entirely beyond the Company's control as to what new material, devices and apparatus it will be required to purchase and assemble as specified on production orders, the Union agrees that there will be no restriction on the Company against purchasing such raw materials, devices and finished apparatus. All fixtures or parts necessary thereto, unfinished or finished, shall be procured from persons, firms or corporations fair to the signatory Unions when possible and not in violation of law. If the Company lacks facilities, tooling, equipment or trained employees to do all work, it is agreed to sublet such persons, firms or corporations fair to the signatory Unions whenever possible and not in violation of law, provided no regular employee suffers any loss of time thereby.

ARTICLE 11

SENIORITY

11.1 "Seniority" is defined as the length of an employee's continuous service with the Company beginning with his last date of hire.

11.2 Seniority of employees shall be based on plant wide seniority for purposes of layoff and recall.

11.3 All new employees will be introductory employees during the first sixty (60) calendar days following their date of hire. This introductory period may be extended an additional thirty (30) calendar days by written notice to the bargaining unit. During the introductory period the Company may discipline or discharge the employee and neither the employee or the Union will have recourse to the grievance and arbitration procedure.

11.4 In layoffs, rehires, bumping, and job bidding, preference will be given to the senior employee who is reasonably capable to perform the job where other factors, including skill and ability, are determined by the Company to be equal. When requested by the Union, the Company shall list the reasons, other than seniority, upon which it based any employment decision.

11.5 In the event that a job vacancy appears and the Company determines to fill that vacancy the Company shall first attempt to fill that vacancy by the following procedure:

- (a) A notice of the vacancy shall be posted for forty-eight (48) hours and any interested employee, regardless of unit, may submit a bid on a form provided by the Company.
- (b) When an employee is awarded a job through this bidding procedure and the job awarded pays a greater hourly rate, the employee shall continue at their current rate of pay for the first thirty (30) calendar days with an evaluation every fifteen (15) days, after which he/she shall receive the full rate of pay specified for the position. The employee may be disqualified at any time during the first thirty (30) days in the new position if, in the opinion of the Company, the employee lacks the skill and ability to learn the job and reach a reasonable level of productivity within an acceptable time period. The judgment of the Company shall be controlling within the thirty (30) day trial period unless its decision is arbitrary or capricious. After the initial thirty (30) calendar day trial period any disqualification by the Company must be for just cause. The successful bidder may disqualify himself/herself at any time during the thirty (30) day qualification period and return to his former position without loss of seniority. The thirty (30) calendar day trial period may be extended by mutual agreement between the Company and the Union if the trial period is interrupted or if performance is such that the Company cannot, in fairness to the bidder, make a final decision. The extension of any trial period shall be pursuant to the same rules as the original period.
- (c) The bidding procedure shall not foreclose the Company from waiving qualifications or from filling the vacancy from other sources in the event there are no qualified bidders or the equipment used is new to this operation and no present employee is familiar with its operation and maintenance, or the demand for growth exceeds the practical ability to fill all positions from within.

- (d) The Company may promote an employee to a higher Job Level based on the Employee's growth and development into that Level, provided it is not accompanied by an overall increase in the number of Employees in the work center. An increase in the number of Employees or replacement for departing Employee(s) must be handled through the bidding procedure.
- (e) In the event a Bargaining Unit is eliminated from manufacturing at this facility, the employees affected will be entitled to their bidding rights. In the event the employee is disqualified from any bid or no bids are available, he/she will have the option to exercise their plant wide seniority and bump the least junior employee.

11.6 In the event of a reduction in the work force, all part-time upholsterers and introductory employees shall be laid off first, before any regular employees with seniority are laid off. When the working force is being increased following a layoff, all regular employees with seniority will be given an opportunity to return to work before any new employees are employed; except where necessary maintenance employees with special skills are needed, unless the employee on layoff can demonstrate he/she has the skill and ability.

11.7 All seniority rights shall be terminated by: a voluntary quit; discharge for just cause; full retirement; layoff for a period of twelve (12) months or absence for a period of twelve (12) months due to illness or injury, provided that this twelve (12) month period may be extended by mutual agreement of the parties; failure to report to work from layoff within five (5) working days after date of postmark of a notice of recall; failure to return from absence due to illness or injury within five (5) days or release by a doctor.

11.8 Employees who are laid off shall promptly notify the Company of any change of address. Any notice of recall sent by the Company must be sent by certified mail, return receipt requested, to the last address furnished by the employee.

11.9 In case of temporary layoff (defined as two (2) days or less) employees will be laid off according to seniority within the department affected. In the event the layoff extends beyond two (2) days the employees in the department affected will have a right to return to work and exercise their plant wide seniority to bump junior employees in other departments in jobs for which the laid off employees are qualified.

11.10 Employees promoted or transferred to jobs outside of the bargaining unit shall retain the seniority they have acquired at the time they moved out of the bargaining unit for purposes of returning into the bargaining unit. However, such employees will not accumulate any seniority during the time they are employed outside the bargaining unit. Any employee promoted or transferred to jobs outside of the bargaining unit for a period of twelve (12) months shall lose their seniority.

ARTICLE 12

MILITARY SERVICE

It is further agreed by and between the parties hereto that should any employee be called or volunteer for military service or compulsory industrial service, and upon completing such service, shall apply for his or her old position within ninety (90) days, such employee shall be reinstated to his or her former position or a similar one at the rate of pay prevailing for such position at the time of his or her reemployment with all seniority rights restored, provided that such employee is found to be physically fit to perform the services required in his/her former position.

ARTICLE 13

REPORTING PAY

Excluding all employees who have been absent of their own volition from their employment the day previous (these employees shall not be entitled to any reporting pay) then whenever employees report at the regular starting time and place and through no fault of their own are not permitted to work on their regular jobs that day, they shall be given whenever possible a full day's work without penalizing any other regular employee. Should it so develop that it is impossible for the Company to offer employment in line with the above, such employees shall receive not less than four (4) hours' pay. In this connection, however, it is agreed by and between the parties hereto that the above will not apply in the event their inability to work is occasioned by any happening beyond the control of the Company, including but not limited to, machine failure, electrical or steam failure, acts of God, fire and further that no compensation shall be payable for the four (4) hours hereinbefore mentioned if notice has been given to employees by an accredited representative of the Company during his or her work on the previous shift or notice through the medium of a telegram or telephone call to such employees delivered at least eight (8) hours before the time for such employee or employees to report.

ARTICLE 14

SHOP RULES

It is agreed by both parties that fair treatment and due diligence in the observance of reasonable rules as established by the Company will be essential to the maintenance of these working conditions and wages, understanding that such rules as may be established by the Company shall not in any way conflict with the terms of this Agreement, and further understanding that it is the right of the Company to exercise disciplinary action appropriate to any and all violations of the rules.

ARTICLE 15

EMPLOYEE NOTICE OF ABSENCE

It is agreed that in the event an employee is unavoidably kept from reporting for work, no discrimination shall be practiced against such employee as a result of such absence, provided that notice is transmitted to the Superintendent's office as soon as reasonably possible; further, that two (2) working days' absence without notice shall be deemed sufficient cause for dismissal with the exception, however, that if such employee's two or more days of absence without notice is occasioned by circumstances beyond the control of the employee, such dismissal shall not apply, but the employee must prove that his absence was attributable to a cause beyond his control. Violation of this Article will result in disciplinary action.

ARTICLE 16

TRANSFERS

Where an employee, to serve the convenience of the Company, is transferred temporarily from his or her regular position to another position, he or she shall receive the rate of pay that is higher, whether it be his regular pay or the rate of the temporary position. No employee will be permanently transferred without his or her consent, to another department. This condition shall not apply whenever it becomes necessary to reduce the working force.

ARTICLE 17

HOURS OF WORK

17.1 The regular work day will ordinarily be scheduled for eight (8) hours of work, with a starting time between 6:00 a.m. to 8:00 a.m. and a quitting time between 2:30 p.m. to 4:30 p.m. The regular starting and quitting time of the shipper shall be from 8:00 a.m. to 4:30 p.m. The regular starting and quitting time of all other employees shall be from 7:00 a.m. to 3:30 p.m. There will be a thirty (30) minute unpaid lunch period between the fourth and fifth hours of work. There shall be no change in the regular starting/quitting/lunch time except by mutual agreement of the majority of affected employees. During inclement weather the starting time may fall outside of the period specified herein provided there is a mutual agreement between the company and the majority of the affected employees.

17.2 The Company may establish a work week of four (4) days, ten (10) hours a day to fall on either Monday-Thursday or Tuesday-Friday, providing it is mutually agreed by the Company and a majority of the employees. Employees working four (4) ten (10) hour days who are on vacation will receive five (5) vacation days paid at eight (8) hours per day for each week's vacation. Holidays, funeral leave and jury duty will be paid for at eight (8) hours for each day. If a holiday falls in the work week the Company will switch to a five (5) eight (8) hour work week. A four (4) day ten (10) hour work week is only allowed for shop work.

17.3 All work in excess of forty (40) hours in one (1) week or eight (8) hours in one (1) day, or before or after the regular starting or quitting time, shall be considered overtime and shall be compensated at the rate of time and one-half (1-1/2) the regular rate, except if an employee misses work for their own reasons and not by reason of layoff and, in that event, the employee will receive overtime pay only for those hours worked in excess of eight (8) in any one (1) day, or those hours worked in excess of forty (40) regular time hours in one (1) week.

17.4 All work performed on Holidays shall be compensated at the rate of two (2) times the regular hourly rate of pay and, in addition, employees will also receive holiday pay. Employees will receive time and one-half (1-1/2) for Saturday work. However, the Company reserves the right to replace Employees scheduled for Saturday overtime if the Employee does not come to work on Friday, unless the Supervisor was notified of a scheduled absence by the Employee prior to the posting of the Saturday overtime list. Work performed on Sunday shall be compensated for at the rate of two (2) times the regular hourly rate of pay.

17.5 Employees called back to the plant after their regular shift has ended will be paid of all hours actually worked or for four (4) hours at the appropriate overtime rate.

17.6 Overtime will be assigned to the employee who regularly performs the job whenever reasonably possible. If that employee is unable to perform the work, such work shall be assigned to the person with the highest seniority in the same classification provided they have the skill and ability to perform the work at a reasonable level of productivity.

17.7 The Employer will give employees notice of Saturday overtime work not later than the seventh hour of the Thursday shift. Where possible, employees will receive twenty-four (24) hours' notice of daily overtime. In the absence of notice, daily overtime will be voluntary. Any voluntary overtime which an employee agrees to work in advance will be considered as scheduled work.

17.8 In the event the Employer establishes shifts other than the first shift, the hours of said shifts will be determined by the Company.

17.9 Each employee will receive a ten (10) minute break during the first and second halves of their shift at a time determined appropriate by the Company. If overtime of more than one-half (1/2) hour past the scheduled quitting time is required there shall be a ten (10) minute break scheduled at the start of the second half (1/2) hour.

ARTICLE 18

HOLIDAY PAY

The Company will pay eight (8) hours of straight-time pay at each individual employee's regular hourly rate for each of the following holidays: New Year's Day, George Washington's Birthday, Good Friday, Decoration Day, Fourth of July, Labor Day, Thanksgiving Day, Day following Thanksgiving Day, Christmas Eve Day, Christmas Day, and a Personal Holiday to be taken at the employee's discretion. Employee must notify the Company 24 hours in advance of taking Personal Holiday. Holiday pay shall be paid for the days on which such holidays are observed, irrespective of whether or not such days fall on a regular work day, provided that the employee has completed his or her sixty (60) day introductory period with the Company. It is understood that holidays falling on Saturdays will be celebrated on the preceding Friday. And holidays falling on Sunday will be celebrated on the following Monday.

In order to be eligible for holiday pay, an employee must have worked a minimum of four (4) hours on the scheduled work day before and after the holiday unless excused. Legitimate illness, occasions designated as excused absences in the attendance policy and absences provided for by contract will be recognized provided the employee has given notice to the extent possible. Employees on scheduled vacation will also be excused from this requirement. If Koken lays an employee off within seven (7) calendar days of a scheduled holiday, that employee will receive holiday pay for that day.

Employees may take Martin Luther King, Jr. Day as an unpaid holiday and without penalty under the attendance programs provided the Company receives written notice at least five (5) work days in advance.

When a holiday falls during an employee's vacation taken pursuant to Article 24, such employee shall have an extra day off with pay.

ARTICLE 19

INCAPACITATED WORKERS

Employees who have rendered faithful and honest service and who have become unable to handle heavy work to advantage will be given consideration for light work if, as, and when it may become available.

ARTICLE 20

NOTICE OF DECREASE IN HOURS

The Company agrees that it will notify the employees on the previous day of any decrease in working hours.

ARTICLE 21

CHANGES IN COMPANY RULES

Changes in the Company rules and orders affecting employees shall be posted on official bulletin boards provided for that purpose and signed by proper officials of the Company, understanding, however, that such rules and orders shall not conflict with the terms of this Agreement. The Union shall be notified in writing of any changes in company rules prior to implementation of such changes.

ARTICLE 22

BULLETIN BOARD

A bulletin board shall be provided, which is central located within the confines of the Company's plant, where notices of Union meetings and other official Union business may be posted from time to time.

ARTICLE 23

HEALTH AND SANITATION

The Company agrees that it will furnish and maintain satisfactory toilet facilities, wash bowls, lockers, emergency showers and satisfactory cool drinking water in sanitary fountains in convenient places, wherever needed.

ARTICLE 24

VACATIONS

24.1 The Company agrees to give vacations with pay (at such times during the twelve-month period commencing with the date of this Agreement as may be most convenient to the Company) to employees who have been compensated for 1,600 hours of pay during such period. Compensation to be included when calculating the 1,600 hours shall include regular time, overtime, and money paid as hourly wages for such contractual benefits as holiday pay, vacation pay, jury pay, funeral pay, etc. The amount of vacation to which an employee shall be entitled during any contract year shall be determined by the number of years of continuous service completed prior to the contract year in accordance with the following chart:

<u>Years of Continuous Service</u>	<u>Hours of Vacation</u>
1 year but less than 3	40 hours
3 years but less than 10	80 hours
10 years but less than 20	120 hours
20 years or more	160 hours

Employees who have not qualified for a complete vacation because they have not received compensation or its equivalent for the required 1,600 or more hours because of layoff, etc., shall receive a pro-rata vacation based upon those hours actually compensated. For example, if an employee has 1,200 compensable hours but not 1,600, they will receive seventy-five percent (75%) of the vacation to which they would have been entitled had they worked 1,600 hours.

Employees will be eligible for vacation benefits following the employee's date of hire anniversary. Vacations will be arranged thereafter for a time mutually agreeable to both the company and the employee and at a time which will not interfere with the company's production requirements. The company is to have the option of scheduling the third (3rd) and/or fourth (4th) week of any eligible employee's vacation at any time during the year in accordance with the management's judgement of its production requirements. The employee shall not be required to split up this third (3rd) and/or fourth (4th) week of vacation but may do so upon mutual agreement with the company.

24.2 Employees whose employment with the Company is terminated after more than one (1) year of service shall receive vacation pay in accordance with the formula set forth in Section 24.1 above, except that vacation benefits will not be paid to any employee terminated for proven theft.

24.3 Veterans returning from service in the military who worked for the Company prior to such service shall have their time counted in such service for the purpose of vacations just as though they had continued working for the Company during such service.

24.4 Vacations shall be scheduled on a first come, first serve basis. Those Employees requesting vacation first shall be granted vacation first. In the event two (2) or more Employees request the same vacation period and such request is made on the same day, the senior employee will be granted vacation first. Employees must give a minimum of two (2) weeks notice of vacation. The Company may close the plant for vacation and the Employees shall be given an advance notice of such closing.

24.5 The Employer may request an employee to accept pay in lieu of vacation for those weeks in excess of two (2). Such final decision shall rest with the employee.

24.6 Employees who quit or who are terminated shall receive all unpaid or unused vacation benefits which have accrued as of their last anniversary date and pro rata vacation pay based upon one-twelfth (1/12) of vacation entitlement for each month actually worked provided they have been employed more than twelve (12) months, and provided further, they are not indebted to the company in any way or were terminated because of any dishonest act with respect to company assets and property.

ARTICLE 25

WAGE RATES

25.1 The rates of all classifications covered by this Agreement shall be as set forth in the attached wage schedule for the period of this Agreement.

25.2 All other employees will receive a shift differential of thirty cents (\$.30) per hour for said night shift work.

25.3 The Company, at its discretion, may designate a supervisory employee to be known as "Leadperson". In the event of an absence of a designated leadperson, management may designate a qualified employee from that department to fill in and assume the responsibilities as a temporary or assistant leadperson. If the person designated accepts and assumes the leadperson's responsibilities, that employee shall receive one dollar (\$1.00) above their regular wage rate.

ARTICLE 26

OUTSIDE WORK

It is agreed that employees sent out of the shop to work on installations, construction work, photo shoots, or displays shall be governed by the Constitution and Trade Rules and wage rates of the journeymen carpenters of the Regional Council where the work is performed.

An employee who is sent out of the shop for installation work shall be entitled to holiday pay at his current shop hourly rate.

An employee who is sent out of the shop to install fixtures shall receive the following wages:

Effective 9/13/2017 -- \$ 44.20 per hour
Effective 9/13/2018 -- To be determined.
Effective 9/13/2019 -- To be determined.

It is also mutually agreed that when the outside carpenters' rate is determined on May 1, 2018 and May 1, 2019, through negotiations with the local A.G.C., an adjustment will be made for the outside wage rate on work performed after September 13, 2018 and September 13, 2019, until the expiration of this agreement, i.e. September 12, 2020. At that time, the amount of any difference in the cost of health and welfare and pension payments and the cost of vacations and holiday pay between that paid by Employers signatory to this agreement and by Employer members of the A.G.C. shall be included in the calculation of the hourly rate to be paid for outside work performed under this agreement.

ARTICLE 27

JURY DUTY - BEREAVEMENT LEAVE

28.1 Employees who have passed their introductory period and who are summoned for jury service shall be paid the difference between their jury fees received and their regular daily wages for all time lost from work because of such service. Paid jury leave shall be limited to ten (10) days per year.

28.2 In the event of the death of a member of an employee's (who has passed his introductory period) immediate family (mother, father, mother-in-law, father-in-law, sister, brother, wife, husband, child, grandmother or grandfather and step-parents and step-children of current marriage), the employee shall be paid at his or her regular guaranteed minimum hourly rate for the time necessarily lost due to absence from work on any regular work day for such reason, but not beyond the day of the funeral and not beyond a total of three days' pay. To be eligible for such pay, the employee must, at the time of such death, be actively working for the Company.

ARTICLE 28

PENSION PROGRAM

The Employer agrees to pay for each employee covered by this Agreement on the first working day of each month, excluding calendar days that are not working days, the sum of three hundred seventy-nine dollars and fifty cents (\$379.50) per month to the trustees of District No. 9, I. A. of M. and A. W. Pension Trust effective September 13, 2017. Effective September 13, 2018 and September 13, 2019 to be determined, the contribution increases shall be deducted from Total Package Increase set forth in Wage Increase Schedule. Such monthly payment shall be made for every calendar month and on or before the 10th day of each such month. Newly hired and recalled employees beginning work on the first working day of each month, excluding calendar days that are not working days, shall also be covered by the provisions of this paragraph.

If an employee is absent because of illness or off-the-job injury and notifies the Employer of such absence, the Employer shall make the required contribution for one (1) month. If an employee is injured on the job, the Employer shall continue to pay the required contributions until such employee returns to work; however, such contributions shall not be paid for a period of more than six (6) months.

The Pension Plan has been approved by the U.S. Internal Revenue Service as a qualified Pension Plan, and contributions made to the trustees do not constitute taxable income to the employees participating therein and do constitute a taxable deduction to the Employer.

The Employer shall be under no obligation to see to the application of such monies as are paid into said Pension Trust, but said Trust shall be audited annually by a reputable Certified Public Accountant without expense to the Employer.

Contributions made pursuant to this Article shall be held in trust by a Board of Trustees consisting of two trustees representing the Union, two trustees representing the contributing employers and one neutral trustee.

It is hereby mutually declared and agreed that the foregoing provisions of this Article are of the essence of this entire Agreement. That this Agreement would not have been entered into but for the inclusion of said Article therein, and that any breach of this Article or any failure literally and fully to comply therewith by the Employer shall be and constitute a material violation of this entire Agreement entitling the Union at its option to engage in a strike or work stoppage against the Employer, notwithstanding any other provisions of this Agreement to the contrary or to elect to rescind the entire Agreement.

It is further agreed that if the Employer fails to comply with the provisions of this Article by not making prompt and timely payments of the monthly contributions required hereby (the total amount of which delinquency, hereinafter referred to as "such delinquency", shall be and constitute a debt owed by such Employer to the aforesaid trustees), then and in addition to all other remedies or courses of action on account thereof available to the trustees and/or the Union (including the right to strike, such delinquency shall be recovered as a debt owed by the Employer to the aforesaid trustees by a suit or action at law brought by said trustees and/or the Union; provided that the Employer further agrees in any such suit or action to be liable for (and hereby agrees to pay), in addition to the amount of such delinquency, all costs of court, interest at the maximum lawful rate computed from the day following the due date of each said delinquent monthly contribution, and a reasonable fee for the attorney or attorneys representing the trustees and/or Union in such suit or action, the amount thereof to be fixed by the court; and provided further that if the Employer fails to make prompt and timely payment of the monthly contributions required by the provisions of this Article and such delinquency results in an employee or designated beneficiary covered by this Agreement losing, being denied or being rendered ineligible to receive benefits from the Pension Trust herein provided for, then and in such event the Employer shall be fully and personally responsible and liable to (and hereby agrees to pay) such employee or designated beneficiary for all such losses of benefits.

The Union and/or the trustees shall have the authority to conduct audits of the Employer's financial records for the purpose of determining the Employer's compliance with its obligations to contribute to the Pension Trust. The Union and/or the trustees shall give written notice of the audit at least five (5) days in advance of the commencement of the audit. In the event that an audit discloses a delinquency exceeding \$200.00, the Employer shall be responsible for the costs of the audit.

Where a full-time employee has left employment with the Employer to enter military service, and upon completion of his or her military service is entitled to exercise and does exercise his or her right to reemployment under 38 U.S.C. Section 2021, then for up to twenty-four (24) months of such period of military service, the Employer agrees to make a contribution to the trustees of the Pension Trust on behalf of the reemployed veteran in an amount equal to the total amount of the contributions that the Employer would have made had the veteran remained in continuous, full-time employment with the Employer for the entire period of his or her military service. This contribution shall be made within sixty (60) days from the date on which the veteran is reemployed by the Employer.

ARTICLE 29

HEALTH AND WELFARE PROGRAM

The employer agrees to contribute to the CARPENTERS' HEALTH AND WELFARE TRUST FUND, for the purpose of providing accident and sickness indemnity and hospital and surgical benefit insurance for all employees covered by, and performing bargaining unit work under this Agreement, and their dependents. The Employer shall contribute to the fund on a monthly basis and it shall contribute for all hours paid for each employee, in all classifications, except as otherwise provided in this Agreement as follows:

Effective 05/01/2017 - \$7.00 per hour per employee (133 hour per month max. cap)

Effective 05/01/2018 - * TBD per hour per employee (133 hour per month max. cap)

Effective 05/01/2019 - * TBD per hour per employee (133 hour per month max. cap)

* To Be Determined amounts shall be paid by the employer in full effective May 1, 2018 and May 1, 2019.

Hours paid for which contributions are due shall include regular and overtime hours plus those hours paid for as a result of any fringe benefits in the contract, such as paid holidays, paid vacation, jury pay and funeral leave.

Payment is due on the tenth (10th) day of each month, for hours paid in the preceding month.

Employee's eligibility for benefits shall be governed by the provisions of the Trust Fund and the Trust Agreement. The insurance for any employee, who, on account of illness or injury, is not at work for full time and for full pay for the Employer on the date on which his insurance would otherwise become effective, shall not be made effective until his assumption of all duties pertaining to his employment at full time and for full pay.

The Employer agrees to be bound by the provisions of the Carpenters' Health & Welfare Trust Fund Agreement, all amendments thereto, and all rules and regulations promulgated thereunder by the trustees, provided, however, that no such amendments or regulations will increase the Employers cost above that which is provided in this agreement as the contribution into the fund.

ARTICLE 30

PRODUCTION WORK BY FOREMEN

Foremen will not perform regular production work. They will do such work only for purposes of training, instruction, demonstration or in emergency situations. However, foremen or any other non-union employee may perform on behalf of management the required production work in effecting the development of any unit, the mock up thereof, a sample model thereof and perform any experimental work necessary and essential in effecting a final production model thereof. In circumstances where there is a concern for safety and timely action should be taken, intervention by the foreman to correct the problem shall not be deemed to be "regular production work".

ARTICLE 31

MISCELLANEOUS PROVISIONS

(a) The Employer agrees to provide one (1) telephone for use by employees during their break periods. Should one telephone prove to be inadequate to serve the reasonable needs of the employees then, upon request, the Employer will give consideration to adding a second telephone.

(b) The Employer agrees that each six (6) months it will submit a seniority list, by unit, broken down by job classification, to the agent union.

(c) Any employee who suffers an on-the-job injury and who is ordered off work for the balance of the day by the treating physician shall be compensated as if they had finished the balance of the regular work day. Missed overtime opportunities will not be included in the computation of the employee's pay in these circumstances.

(d) Employees who are required to wear prescription eye glasses will be entitled to allowance two (2) times during the life of this contract of One hundred twenty-five Dollars (\$125.00) to offset the cost of prescription safety glasses. To be eligible for the allowance, said employee must actually purchase the glasses and submit a paid receipt to the Company. The Company will reimburse the cost of the safety prescription glasses up to a maximum of One hundred twenty-five Dollars (\$125.00). Employees receiving an allowance for prescription safety glasses shall be required to wear said glasses while working in the shop.

ARTICLE 32

CONFORMITY TO LAW

If any provision or the endorsement or performance of any provision of this Agreement is or shall at any time be contrary to law, then such provision shall not be applicable or enforced or performed, except to the extent permitted by law. If at any time thereafter such provision or its enforcement or performance shall no longer conflict with the law, then it shall be deemed restored in full force and effect.

ARTICLE 33

UNION LABEL

It is hereby understood and agreed by the Employer and the Union that an application shall be made for the Union Label to the International Unions signatory to this Agreement. If the application is approved, and the Union Label is issued by the International Unions to be placed upon the Employer's products, it is understood and agreed that the Label shall remain the property of the International Unions, and shall be at all times in the possession of a member of the respective Unions; and that said Union Label shall at no time be used in any manner that will be detrimental to the interest and welfare of the members of the respective Unions. Use of said Label may be withdrawn from the mill, shop, factory, or manufacturing establishment of the Employer at any time at the discretion of the International Unions. (This section does not apply to I.B.E.W.)

ARTICLE 34
SEVERANCE PAY

In the event the company closes the plant, or moves out of the area covered by the union(s) the company will provide severance pay as follows:

- (a) Employees with more than one (1) full year of service with the company but less than five (5) full years of service will be entitled to five (5) days (40 hours) of pay at the employees' regular rate of pay at the time he/she is released from employment.

In addition to the above, the company will make Health and Welfare contributions for these employees for two (2) months after the employees are released from employment.

- (b) Employees with more than five (5) full years of service with the company will receive one (1) additional day of severance pay for each year of service over five (5) years.

In addition to the above, those employees with more than five (5) years of service with the company, the company will make Health and Welfare contributions for these employees for three (3) months after the employees are released from employment.

- (c) An employee becomes eligible for severance pay and the Health and Welfare contributions if the following guidelines are met:

- (1) The employees must have been employed by the company at the time of the announcement or notice of a plant closing, or moving out of the area.
- (2) Employees must remain employed with the company until released from employment. Employees may request to be released and Koken will consider those requests but reserves the right to make the final decision because of the need to provide for the most orderly shutdown possible. Employees granted early release will receive their severance pay entitlement. In the event an employee requests to be released, and the reason is that he/she has found new employment, the company then will not be responsible for additional Health and Welfare contributions, as stated above.
- (3) An employee that leaves the company prior to being released from employment shall not be eligible for severance pay or Health and Welfare contributions.
- (4) Prior to receiving severance pay, the employee shall sign a release from employment and such form shall relieve the company from further employment, and obligation from the collective bargaining agreement, except those items stated in the Article.
- (5) Payment of all wages, severance pay, accrued vacation pay, and any other payment due to the employee shall be made on the next available pay period after the employee is released.

- (d) The company agrees that if there is a plant closing, manufacturing is discontinued, or the company moves out of the area, a letter will be provided to each employee verifying dates of employment, position(s) held and a statement of the reason employment was lost.

- (e) Following notice of plant closure Koken may retain or layoff employees without regard to seniority, unit or job classification level so long as it pays the employee the agreed upon severance pay when the company complies with the obligations set forth in Section 4.
- (f) If the Union and/or the Employees do not receive adequate notice of closure pursuant to the Worker Adjustment and Retraining Act, the extent to which the employee is paid wages in lieu of notice shall offset any severance benefits due.
- (g) After all Employees in the bargaining Unit(s) have been released from employment and paid severance and other benefits due under this agreement, this Agreement shall be considered to have canceled as of that date by mutual agreement of the parties. However, in the event the company reopens this plant before this contract would have expired by its own terms, then this contract will be reinstated.

ARTICLE 35

SAFETY REQUIREMENTS

In order to promote a safer working environment, the Union has adopted a program to enable all Employees covered by this Agreement to complete the OSHA 10-hour safety training course. The Employer shall not hire or retain in employment any Employee who has not completed the OSHA 10-hour course, provided that such Employee had reasonable opportunity to do so at the Union's expense. The Union agrees to indemnify and hold harmless the Employer from and against all liability or claims in connection with termination of an Employee for failure to satisfy the OSHA 10-hour course requirement.

IN WITNESS WHEREOF, the parties have executed this Agreement on the _____ day of _____, 2017.

KOKEN MANUFACTURING CO., INC.

BY Rachel de la Peña Martin
Rachel de la Peña Martin
Manager General Affairs

**ST. LOUIS – KANSAS CITY
CARPENTERS REGIONAL COUNCIL**

BY Al Bond
AL BOND
Executive Secretary-Treasurer

BY Brian Doerr
BRIAN DOERR
Representative

AGREED AND ACCEPTED

ELECTRICAL WORKERS LOCAL NO. 1

BY Robert Denny

**UNITED STEELWORKES OF AMERICA,
ON BEHALF OF LOCAL NO. 25 UPHOLSTERS**

BY Frank Condit

**INTERNATIONAL ASSOCIATION OF MACHINISTS,
DISTRICT NO. 9**

BY Joseph Escarott

IN WITNESS WHEREOF, the parties have executed this Agreement on the _____ day of _____, 2017.

KOKEN MANUFACTURING CO., INC.

BY _____
JIM LOWRY
General Manager

**ST. LOUIS – KANSAS CITY
CARPENTERS REGIONAL COUNCIL**

BY _____
AL BOND
Executive Secretary-Treasurer

BY _____
BRIAN DOERR
Representative

AGREED AND ACCEPTED

ELECTRICAL WORKERS LOCAL NO. 1

BY _____

**UNITED STEELWORKES OF AMERICA,
ON BEHALF OF LOCAL NO. 25 UPHOLSTERS**

BY _____

**INTERNATIONAL ASSOCIATION OF MACHINISTS,
DISTRICT NO. 9**

BY _____

WAGE INCREASE SCHEDULE

Effective 9/13/2017	Employees in all Job Classification Levels will receive an increase of thirteen cents (\$ 0.13) per hour, per employee.
Effective 9/13/2018	Total Package Increase for employees in all Job Classification Levels will be fifty cents (\$0.50) per hour to be divided between wages and pension contribution.
Effective 9/13/2019	Total Package Increase for employees in all Job Classification Levels will be sixty cents (\$0.60) per hour to be divided between wages and pension contribution.

WAGE SCALE

EFFECTIVE 9/13/2017

Level 3	9/13/17	9/13/18	9/13/19
Start	\$ 14.69	* To be determined	* To be determined
Six Months	\$ 15.25	* To be determined	* To be determined
One Year (level 5-1yr)	\$ 15.80	* To be determined	* To be determined
Two Years	\$ 16.91	* To be determined	* To be determined
Three Years (level 4-1yr)	\$ 18.03	* To be determined	* To be determined
Level 2	9/13/17	9/13/18	9/13/19
Start	\$ 18.30	* To be determined	* To be determined
One Year (level 3-1yr)	\$ 18.60	* To be determined	* To be determined
Two Years (level 3-2yrs)	\$ 18.90	* To be determined	* To be determined
Thirty Months (level 2-1 yr)	\$ 19.10	* To be determined	* To be determined
Three Years (level 2-2yrs)	\$ 19.20	* To be determined	* To be determined
Level 1	9/13/17	9/13/18	9/13/19
Start	\$ 19.46	* To be determined	* To be determined
One Year	\$ 19.67	* To be determined	* To be determined
Two Years	\$ 19.99	* To be determined	* To be determined
Leadperson	9/13/17	9/13/18	9/13/19
Start	\$ 20.66	* To be determined	* To be determined
One Year	\$ 21.13	* To be determined	* To be determined
Two Years	\$ 21.48	* To be determined	* To be determined

Assistant/Temporary Lead Person – Add \$1 Hour to Regular Pay.

CLASSIFICATIONS

Carpenters

Machine Operator

- Level 1** Programming ability, Knowledge of cabinetmaking, program/operate C.N.C. equipment, program/operate vertical panel saws, proficient in all 2 and 3 level skills.
- Level 2** Full-time machine operator, overhead router operator, edgebander operator, vertical panel saw operator (non-programmable), intermediate C.N.C. program/operate, proficient in 3 level skills.
- Level 3** Machine hand/helper – load/offload machines, move material, glue roller/press operator.

Builder/Laminator

- Level 1** Journeyman cabinetmaker – all phases of cabinetmaking from sketch to completion including lamination proficient in all 2 and 3 level skills.
- Level 2** Build/upfit/laminate more complex but standard products including machining of components. Modification to standard products. Proficient in all 3 level skills.
- Level 3** Bench assembler includes basic building, basic upfitting, basic lamination, operation of basic woodworking equipment and wood painting.

Packer

- Level 2** | Senior Packer – Independently pack: knowledge of products, package contents, and packing methods. Create packing for non-standard applications. Proficient in all 3 level skills.
- Level 3** | Packer Helper – pack under the direction of a senior packer, cleaner – clean and prepare products for inspection and packing (pay max. at 2 year level).

Shipper

- Level 2** Shipper (UPS)/Trucker – ship product including pulling parts for UPS and processing paperwork, pick-up, and deliver products on company truck. Proficient in all 3 level skills.
- Level 3** Shipper Helper – gather packages, products, and stage for loading. Load truck insuring correct number of skids and/or boxes for each load.

Machinists

Chairs

Level 2 Assembly of all type chairs and bases – Utility person.

Stores

Level 1 Storeroom Clerk.

Level 2 Receiving Clerk/Utility Person.

Electricians

Level 1 Maintenance Person. (Add \$1.00 hour to regular pay.)

Level 2 Maintenance Helper. (Add \$1.00 hour to regular pay.)

Upholsterers

Level 2 Cutter-Upholsterer – Sewing Machine Operator.

Order

Checker

Verify orders are filled correctly – review and check orders with customer service contact customers to verify correctness of orders – focus on chairs, new dental equipment and Great Clips orders – check invoices, shippers, and bills of lading for accuracy.

Level 3 Janitor